

HONORING MISSOURI STATE
UNIVERSITY—WEST PLAINS**HON. JASON T. SMITH**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 2013

Mr. SMITH of Missouri. Mr. Speaker, I rise today to honor Missouri State University—West Plains on 50 years of service to South Central Missouri. September 16, 2013 marked the exact date 50 years ago the university began offering classes at the West Plains campus. Since the campus opened its doors, MSU—West Plains has provided area residents with access to affordable and quality education. I applaud hard work of the university staff and the continued support of the surrounding community that has helped the West Plains campus thrive since 1963.

The university has expanded significantly since its founding, with an average enrollment of 2,200 students. This institution has also been recognized as one of the top two-year schools in the nation and as a military friendly school. Transforming the landscape of education in the region, MSU—West Plains has had a significant impact on the lives of many local Missourians. Over 700 community members attended the 50th anniversary celebration, during which a time capsule was created to be opened 50 years from now.

I offer the highest congratulations to Missouri State University—West Plains Chancellor Drew Bennett and Missouri State University System President Cliff Smart on this accomplishment. I look forward to another 50 years of success for Missouri State University—West Plains.

HONORING MR. W. CODY
ANDERSON**HON. ROBERT A. BRADY**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 2013

Mr. BRADY of Pennsylvania. Mr. Speaker, I rise today to honor the accomplishments of Mr. W. Cody Anderson. Mr. Anderson will be receiving the Outstanding Community Leader Award at this year's Friend of Labor Committee of Laborers' Local 332 Annual Black Tie Charity Dinner.

Mr. Anderson has committed himself to the field of broadcast radio for more than 35 years, beginning in the Sales Department of WDAS Radio and working his way to become the President and General Manager of the station. He is widely considered a leading communicator to African-American and urban-based communities and has long-standing relationships with leaders and organizations throughout the region. His expertise in community and grassroots based marketing has allowed him to build one of Philadelphia's most influential talk radio stations, 900AM WURD. He is consistently listed as one of Philadelphia's Top Ten Influential African-Americans and remains concerned with and accessible to community members and the issues they face. Throughout his very busy and successful career he has served as a member and advisor for several community organizations such as Action AIDS and the Afri-

can-American Interdenominational Ministries, Inc., and is an Ambassador in the Team Pennsylvania Outreach Program.

It is a privilege to recognize a person whose leadership and commitment to community has enriched the lives of countless individuals. I ask you and my other distinguished colleagues to join me in commending Mr. Anderson for his lifetime of service and dedication to Pennsylvania's First Congressional District.

PERSONAL EXPLANATION

HON. ALLYSON Y. SCHWARTZ

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 2013

Ms. SCHWARTZ. Mr. Speaker, on rollcall No. 489, I was unable to be present for the vote.

Had I been present, I would have voted "yes."

THE INTRODUCTION OF H.R. _____,
THE FREE MARKET ROYALTY ACT**HON. MELVIN L. WATT**

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 2013

Mr. WATT. Mr. Speaker, today I introduced H.R. _____, the Free Market Royalty Act (FMRA), which creates a "performance right" that will obligate AM/FM radio stations to compensate performers for the use of their music just as cable, satellite, and Internet radio are obligated to do. Currently, cable, satellite, and Internet radio compensate writers, publishers and performers for the use of their music. However, when a song is played on AM/FM radio, the songwriter and publisher receive compensation, but the performer does not. The failure of terrestrial broadcasters to compensate the vocalists, musicians, and background performers sets the U.S. apart from most industrialized nations where performers are compensated for their performances. As a result of this lack of reciprocity, royalties collected internationally for over-the-air performances are not available to American sound recording artists.

As part of the revision process that culminated in the Copyright Act of 1976, the Register of Copyrights was directed to examine whether the performance right should be extended to sound recordings. The Register's study considered whether a law should be enacted providing a performance right for sound recordings and also evaluated copyright systems developed in foreign countries. The exhaustive study transmitted to Congress in 1978 found that "[s]ound recordings fully warrant a right of public performance" that would address a major gap in the copyright laws. However, AM/FM broadcasters have fought against this equitable change for the last 35 years contending that AM/FM stations provide unique and valuable promotion to performers.

In 1995, the Clinton Administration noted that "[t]he copyright owners of sound recordings should be able to decide for themselves, as do all other copyright owners, if 'free advertising' is sufficient compensation of their works. If the users' arguments regarding the

benefit copyright owners derive from the public performance of their sound recordings are correct, the users should be able to negotiate a very low rate for a license to do so."

In 2009, I joined a broad, bipartisan majority of the House Judiciary Committee in favorably reporting the "Performance Rights Act" to the full House. The Senate judiciary Committee reported similar legislation to the full Senate. These bills would have established in law a performance right for sound recordings.

Airtime on AM/FM radio is no different from exposure on other mediums. Cable, satellite, and Internet radio also promote artists to new audiences, yet all these services pay performance royalties because clearly the value in these relationships runs both ways. AM/FM stations profit from advertising revenue. Why do advertisers pay? Because people listen. Why do people listen? To hear the songs. For many stations, take away the music and you take away the audience.

I was happy to hear Bob Pittman, the CEO and president of Clear Channel, the nation's largest broadcaster, say "[t]here are plenty of people in radio who think we already give the record labels so much by giving them free promotion to break their artists, and they say that ought to be enough. But clearly that is not enough, or there wouldn't be a decades-long battle over it." I agree that promotion is not adequate compensation.

I was less happy to hear the National Association of Broadcasters' claim that certain direct licensing deals that Mr. Pittman has reached with a handful of record labels illustrate that performance rights legislation is not needed. In fact, those deals expose the unfairness and inadequacy of the current system and they strongly point out the need for a legislative solution that will apply market wide. Indeed, Scott Borchetta, the president and CEO of Big Machine Records and one of the architects of the first private deal with Clear Channel that has become the template for others, wrote Congress in November that "the absolute need for legislation cannot be emphasized enough."

What these deals really highlight is the uneven patchwork of rights that infects any effort to negotiate in the market as it stands today. AM/FM broadcasters get songs for AM/FM airplay without paying a single cent to the performers. That gives them a source of revenue they can leverage in negotiations, for example to obtain lower royalty rates for digital radio play. But digital-only services don't have this unfair advantage. Meanwhile, only some labels and artists and only some broadcasters are in a position to undertake the costly negotiations that these deals require.

At the same time, Internet broadcasters have come to the Judiciary Committee to complain of the separate unfairness in the market under which they pay performance royalties at a different rate than satellite radio (which has its own illogical grandfathered exception) while AM/FM doesn't pay at all. In some respects, I agree. The Obama Administration recently echoed some of these concerns noting that "in the context of the growing digital audio market . . . there is still no public performance right when sound recordings are used by over-the-air FCC-licensed broadcasters. As a result, over-the-air broadcasters enjoy a competitive advantage over emerging digital services." The solution to all these problems is for everyone to pay and for all royalties to be set under